

SICHENZIA ROSS FRIEDMAN FERENCE LLP
ATTORNEYS AT LAW

NOTICE OF DEFAULT

December 20, 2012

Via Facsimile and Federal Express

Big Time Toys, LLC
708 Berry Road
Nashville, TN 37204
Attention: Garry Barber, President

Re: Purchase Agreement and Amendment to License Agreement
Between Big Time Toys, LLC and Transcence Corporation and
Yolanda von Braunhut, dated as of May 1, 2009 (the “Agreement”)

Dear Mr. Barber:

This firm represents Transcence Corporation (“Transcence”) and Yolanda von Braunhut (“YvB”) in connection with the Agreement.

As you are aware, pursuant to the terms of the Agreement, Big Time Toys, LLC (“BTT”) exercised its option to purchase from Transcence and YvB all right, title and interest in products licensed pursuant to a License Agreement, made as of June 26, 2007 (the “License Agreement”), by and among BTT, YvB and Transcence for the total sum of \$10,000,000, which was divided into the following two components: (1) an Initial Purchase Price of \$5,000,000; and (2) an Additional Purchase Price of \$5,000,000. Pursuant to Section 2.2(a) of the Agreement, BTT agreed to pay the \$4,500,000 of the Initial Purchase Price remaining after the payment of \$500,000 initial cash payment in the form of royalties payable under the License Agreement. Specifically, BTT agreed to pay Transcence the greater of the royalties set forth under Section 4.A. of the License Agreement (as amended by the Agreement), or a minimum royalty of \$750,000, in twelve equal monthly installments on the 10th day of each month.

BTT has failed to pay the installment of the Initial Purchase Price due on December 10, 2012 in the amount of \$62,500 pursuant to Section 2.2(a) of the Agreement. Please be advised that as a result of BTT’s failure to make this payment, BTT is in default of its obligations under the Agreement and the License Agreement. Please be further advised that, in the event that BTT fails to cure said default on or before January 7, 2013, YvB and Transcence intends to enforce its rights and remedies under the Agreement and/or the License Agreement, including, but not limited to, those set forth in Section 2.4(a) of the Agreement.

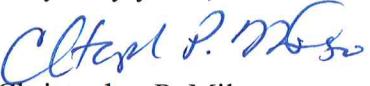
This letter is without prejudice to, and shall not construed as a waiver of, any and all of Transcence and Yolanda von Braunhut’s rights and remedies, at law or in equity, all of which are expressly reserved.



Big Time Toys, LLC
December 20, 2012
Page 2 of 2

Be guided accordingly.

Very truly yours,


Christopher P. Milazzo

cc: Jeffrey Kramer, Esq. (via email only)